

MINUTES
BOARD OF TRUSTEES MEETING
Capitol Building, Room 152, Helena, Montana
Thursday, September 29, 2005

In attendance were Montana Historical Society Board of Trustees members Steve Browning, Judy Cole, Tom Foor, Shirley Groff, Ed Henrich, Bill Holt, Jack Lepley, Sharon Lincoln, Steve Lozar, Bob Morgan, Jim Murry, Lee Rostad, and Jim Utterback. Trustee Tom Siebel attended the meeting via conference call. Also in attendance were MHS Director Arnold Olsen, MHS Centralized Services Manager Jody Brandt; MHS Public Information Officer Tom Cook; MHS Accountant Beth Campbell; MHS/State Archivist Molly Kruckenberg; MHS Curator of Art Kirby Lambert; MHS Acting Research Center Manager Lory Morrow; MHS Technical Services Librarian Jennie Stapp; MHS Administrative Assistant Gena Ashmore; Montana Heritage Project (MHP) Director Mike Umphrey; MHP Manager Katherine Mitchell; MHP Education Director Marcella Sherfy; and Montana History Foundation Executive Director Amy Sullivan. Also addressing the Board was Department of Administration Attorney Vivian Hammill. Members of the public in attendance were Patty Dean, Kathy Fehlig, Vivian Hayes, Carole Herron, and Friends of the Society President Marge Jacobson.

CALL TO ORDER

President Lee Rostad called the meeting to order at 1:05 p.m. Lee welcomed new Board member Steve Lozar. Lee asked for all attendees to introduce themselves.

Lee announced agenda changes, moving Action Items to after the Financial Review, and combining Routine Updates and the Montana History Online Project.

REVIEW OF MINUTES

Ed Henrich moved to approve the minutes from the July 21, 2005 meeting, Bill Holt seconded, all voted in favor, and the motion passed.

DIRECTOR'S QUARTERLY REPORT

Arnie Olsen presented the Director's Quarterly Report. Arnie explained various items in the Board packet and items of interest in the Quarterly Report.

Arnie introduced Montana Heritage Project Director Mike Umphrey to the Board. Mike explained that the Montana Heritage Project has just celebrated its tenth anniversary. He said that the Project published a magazine documenting what it has done in the last ten years, which was sent to the MHS Board. In that decade, about 5,000 students in 31 schools have conducted research projects comparing and contrasting life in their communities historically with that of the present. The Project teachers have been profoundly influenced by their association with the scholars of the Montana Historical Society by access to the collections and by their understanding of the professional work that goes into developing and maintaining those collections. That work has flowed back into the communities and into small museums around Montana. Arnie Olsen's leadership has been critical to making the Project work. The Project is

unconventionally structured and funded, and it has had to find a lot of ways to work in the field with schools. Arnie has attended all of the major events and has helped roll out the red carpet when the Project brings teachers and students to the Society. The Project pays a great deal of attention to the caliber of work that students do. It wants to develop a love for scholarship, ability and competence in the next generation of Montanans. To support that, it runs a Youth Heritage Festival each year where students give reports on their research findings to a large audience, and they present their research products to the State of Montana to be archived at the Montana Historical Society. Because Project scholars are doing research in the community when doing their scholarly writing, many other intangibles are happening. Young people are forming relationships with older people; older people are getting a chance to tell their stories and have a reason to come into the schools. Important byproducts include: the development of shared purposes; a growing sense among all participants of the type of relationship between their historical memories, their shared stories, and their sense of community; and the relationship between community development and quality K-12 education. All are the result of getting the next generation of Montanans to do original historical scholarship in their communities and to write it up for audiences in their communities and on a state-wide level. Mike showed a video of one of the students reading her paper at the 2004 Youth Heritage Festival about the role that music played in helping the people of the Libby community get through the Great Depression in the 1930s. Lee Rostad commended Mike Umphrey, Marcella Sherfy and Katherine Mitchell for the wonderful work the Montana Heritage Project is doing. Arnie Olsen stated that the Project is funded by the Liz Claiborne and Art Ortenberg Foundation. The Project has grown every year, with the current budget at about a half a million dollars.

Sharon Lincoln asked about the new accountant mentioned in the Director's Quarterly Report. Jody Brandt introduced accountant Beth Campbell to the Board. She explained that Beth has been with the state for 18 years, with the last 12 years at the Department of Revenue.

FINANCIAL REVIEW

Jody Brandt presented the Financial Review to the Board. The report was for FY-end 2005. There were only small differences from the year-end report that was given to the Board in July - those differences being bills paid or encumbered during the fiscal year-end period (July 1 – 21) and interest earnings for trust funds. Jody explained that she did not do financials for the first quarter of 2006 because the first quarter would run through the end of September, and she had not received that data yet. Jody asked if it would be acceptable to present financials for a six-month period -- July 1 through December 31 -- when the Board meets in January 2006. The Board approved Jody providing a six-month financial report at the January meeting.

Jim Utterback asked for clarification on variances on the Budget Comparison Schedule. Jody explained that the variances related to appropriation authority remaining at fiscal year-end. The balances were due to having State Special Revenue Fund appropriation authority, but no cash available to spend or Federal Special Revenue Fund authority which continues into FY 2006. Arnie explained that at every legislative session we have to project what authority we need. If we do not receive the funds, we do not use the authority. Jim asked why the total expenses on the Schedule of Activities did not agree with the total on the Budget Comparison Schedule. Jody

explained that the difference was related to the expendable and non-expendable funds that are not budgeted. Jim requested a schedule that reconciles the total expenses for the two schedules.

ACTION ITEMS/NEW BUSINESS

Museum Deaccession

The Rocky Mountain Elk Foundation of Missoula has three Scriver mounts and affiliated artifacts. The mounts are in poor, unsalvageable condition, and the Elk Foundation wishes to disassemble the mounts and use them for hands-on educational programming. The Museum staff concurs that this is the best use of these mounts. **Ed Henrich moved to approve the deaccession, Steve Browning seconded, all voted in favor, and the motion passed.**

Loans and Loan Updates

Art in the Embassies Program, Portugal - Kirby Lambert explained that the U. S. State Department has requested six pieces of art as part of the Art in the Embassies Program for the Ambassador's residence in Lisbon, Portugal. The State Department's curator, based in Washington, D.C., explained to Kirby that the residences are where the public comes, where they entertain dignitaries, and where people would see the artwork. The Ambassador is an art collector and a fan of western art. He has picked pieces from all over the country from other institutions that are participating, such as the National Gallery of Art which is part of the Smithsonian. We have two copies of the Russell bronze that is in the loan request. Lee Rostad said she would be inclined to loan the art. Tom Siebel asked about the procedural guidelines that state that Russell art will not be loaned. Kirby Lambert said the guidelines state that Russell art can be loaned with Board approval, and Russell art has been approved in the past. Ed Henrich noted there was no staff recommendation on the loan form. Kirby answered that that was just an oversight. Kirby's initial reaction was skepticism, but after talking with the curator, he was much more comfortable with loaning the art out of the country. This is clearly a program that has been in operation for years. Bill Holt stated that he is against this loan. He said that you have no protection when you send artwork overseas; there is no recourse to get artwork back. Tom Siebel stated that he did not see how this loan furthers the interest of the people of the state of Montana or the Montana Historical Society. **Ed Henrich moved to deny the loan request to the Art in the Embassies Program, Bob Morgan seconded, thirteen Trustees voted in favor of denying the loan, and Steve Browning voted against denying the loan.**

Secretary of State's Office - Under the Capitol loan program, the Secretary of State's Office is not one of the standard offices that are entitled to borrow art. The Secretary of State is particularly fond of art, so we have a larger collection in his office than we normally do. This loan would bring the total number of pieces in the Secretary of State's Office to nineteen. **Steve Browning moved to approve the loan to the Secretary of State's Office, Jim Utterback seconded, all voted in favor, and the motion passed.**

Bill Holt said that it should be put into the bylaws or the guidelines that unless there is an exceptional condition, we will not loan out of the United States. Steve Browning had an opposing point of view. Steve Lozar asked how this would affect loans to Canada. Would we be restricting native art from being loaned to the University of Alberta, for instance? Bill Holt said we have a very good relationship with Canada, and he should have said we will not loan out of North America instead of the United States. Jim Utterback added that we have loans to Canada currently.

Kirby Lambert said that the Rocky Mountain Elk Foundation may have future deaccession requests. RMEF is going through their collection on an ongoing basis.

Archives Deaccession

Molly Kruckenberg stated that the J. B. Mason Band Music Collection is currently stored in the Scriver Center. There are strict copyright laws, and we are not a lending library, so no one has access to the music. If we deaccession the music to the Chatfield Brass Band Music Lending Library, they have agreed to catalog the collection, put it on their online catalog so people will know they have it, and they will lend the music world-wide so that people can actually play the music. Ed Henrich asked if we would have a credit line on the music. Molly answered that we can certainly ask them for a credit. Tom Foor said that it would be of better use at the Chatfield Library. He was concerned with the donor's comment in his letter that "because of deficiencies of space and staff time, the collection was not cataloged and is now stored in an off-site warehouse, severely limiting public access." Tom is aware of a collection in Great Falls that is going to the University of Montana archives in part because the word is out that we are using restrictions of space and resources to justify building our new facility. When that word gets out, it does not help to build a world-class facility. It actually severely restricts the Society's ability to take in new collections. Tom asked that everyone be careful in applying that logic in the future. **Ed Henrich moved to accept the staff's recommendation to deaccession the J. B. Mason Band Music Collection, Jim Utterback seconded, all voted in favor, and the motion passed.**

Library Deaccession

Jennie Stapp presented the Library Deaccession list. **Jim Utterback moved to approve the deaccession, Ed Henrich seconded, all voted in favor, and the motion passed.**

ROUTINE UPDATES/ACTIONS

Montana History Conference

Arnie Olsen asked if there were any questions about the History Conference. The conference starts with the keynote speaker at 6:30. Ed Henrich asked how many people were registered. Jody Brandt was unsure of the number, but Arnie answered that typically attendance in Helena is lower than attendance in other cities. Lee Rostad commented that we could get better attendance out of town if we had the host town be more active in planning and sponsoring the conference.

Western Rendezvous of Art

Arnie Olsen said this was the most successful year ever. We sold almost one-half a million dollars worth of art. We were sold out in every event, for the first time ever. It was a great Rendezvous. We will realize somewhere between \$45,000 and \$50,000 for our art-acquisition fund. The 2005 Legacy Award went to Jim Morgan this year for his painting of sandhill cranes entitled *Spring Meadow*. Bill Holt said that Bob Morgan should be congratulated because his reputation makes the Rendezvous successful. Lee Rostad added that Bob Morgan did a poster for Toys for Tots which was accepted as the national poster for the United States Marine Corps.

NENUK Exhibit

A portion of the *Neither Empty Nor Unknown* exhibit was opened on September 23 on American Indian Heritage Day. This was a free day at the museum, and it was a very successful program. John Potter has his mural partially completed. Gary Shildt has completed two pieces for us. Chris Rowland is working on a piece. Bob Morgan will do a piece for us soon. We are making good progress on that exhibit.

Other Pertinent Issues

We have sold 472 bronze medallions, and we may be getting an order for up to 150. The medallions are almost half sold. We have sold or reserved 19 bronze plaques. We have started casting the plaques. The big piece will be ready to go to the foundry in mid-November. It should be installed in the Senate in June of next year. Lee Rostad asked about the financial condition of the Senate Art project. Arnie answered that we have enough money to make a second payment to the artist and to pay the casting cost. Minimally we need enough to make the last artist payment when the artwork is installed. We need to sell 15 to 17 more bronze plaques to have everything paid for. We have just started marketing to all the major businesses in Montana. Lee said that Arnie and Gena have done a great job on that project.

Montana History Center

Working with the Department of Administration and other agencies, we have contracts out for land surveying, title report, environmental hazardous materials, structural analysis, roof inspection, mechanical/electrical system analysis, architectural analysis, engineering and civil analysis, and the appraisal. These studies are ongoing, and we hope to have the results in by November 15. The Department of Administration briefs the Governor regularly on this project. The Governor is strongly committed to getting us another facility.

Amy Sullivan informed the Board on what the Montana History Foundation has been doing and what it will do between now and January. Preliminary fundraising for the Center has begun. Until we have a campaign established early next year, we are doing basic one-on-one fundraising. We currently have commitments between \$550,000 and \$800,000. A large portion of this amount is in an estate, and we are waiting to see what the attorney fees are. We are continuing talks with a donor interested in a naming opportunity between \$5 and \$10 million. Amy met with Senator Conrad Burns' key staff, and Senator Burns has requested \$5 to \$7

million in the Interior Appropriations bill for this project. The Foundation realized that if it is going to do a \$40 million campaign, it will need more Foundation Board members. It has added one new Board member, it has two that the Executive Committee will review in November, and it plans to add seven more. The Montana History Foundation Board unanimously approved going forward with interviewing and selecting a campaign consultant. Amy spoke with John Brown of John Brown Limited. Mr. Brown started planned giving at Harvard, and that program has billions of dollars at this point. He has an incredible resume, and he is familiar with Montana. He is on the Rocky Mountain Elk Foundation Board, and he helps with the Fish, Wildlife and Parks Foundation. He will discuss with his partners what he can do for us. He said that we need a fundraising plan and a development office. Foundation Board member Allan Hamilton and his partners have toured the mall, met with the developers, and met with the state. Allan is originally from Columbia Falls, and he is a large developer in the Chicago area. He is doing this work *pro bono* for us on behalf of history in Montana. Allan is prepared to get the Montana Historical Society the best price possible on that building. He is very capable of doing that. Once the deal is struck, decisions will have to be made on whether the state takes ownership of the property or whether the Foundation takes ownership of the property, and how to proceed. The Foundation has laid significant groundwork into making this a successful \$40 million campaign. The Foundation will not work on the design of the structure -- that is the job of the Society. The Foundation is here to get the money and to make the dream facility into a reality.

Lee Rostad asked if the Foundation could come up with \$3 or \$4 million to hire a consultant and designer. Amy answered yes. Lee said that, on the downside, we have been hearing that the mall is not in very good shape and that the Dillard's section is not capable of becoming a two-story structure and will probably have to be torn down. If we get too many bad reports on this structure, we should be thinking about a follow-up. Arnie Olsen answered that that is the purpose of all of the studies we are doing, to see exactly what is there. Any flaws that we find become bargaining tools for us. Amy added that Allan Hamilton said that it is good if Dillard's has that issue because if you tear it down, you can build an entrance that you want. One person's problem is another person's opportunity. Arnie said it is not a given that we will get the property. We have to wait to see what it looks like and how the negotiations come through. Amy added that this property does catch the imagination of donors. Sharon Lincoln asked if we should have a Plan B if the building is deemed structurally unsound. Arnie answered that we have been looking at options for the last five years, and we did an analysis of all the options that are available. Irrespective of the condition of the building, the 13 acres are strategically located. Even if we tore Dillard's down, there are still over 200,000 square feet there. If we can re-adapt a portion of the building, it will save a lot of money.

Montana History Online Project

Lee Rostad stated that the Montana History Online Project is not going to happen. We were not entirely comfortable with it. Lee is very disappointed. Not only would it have been a wonderful addition to our Historical Society complex, it would also have been a tool to sell the new building.

Other

Lee Rostad said she went to the Cody Museum and noticed that they have books about their collections. Lee asked if we could put out a hard-back catalog of our Russell Collection and put it on the web. We would have to get some new software and a better server to do that. We can also do a catalog on some of our Indian collection. Lee passed around catalogs from the Cody Museum and the Russell Museum. Bob Morgan said the catalog would pay for itself. We have the best Russell collection around, and books on C. M. Russell sell. We have the people who can do a first-class catalog, we just need to get the money for it. Lee said that when we were discussing the Online Project, we were making staff adjustments to work on it. Perhaps we can adjust some more and find time to do a book. Judy Cole asked how long it would take to put out a catalog. Bob Morgan answered that it would take a year. Arnie said he would be happy to look into what it would take to do a Russell catalog and report back to the Board in January.

Lee Rostad said she would like to make some goals for the Board. She would like to see the bylaws completed and voted on by next year. Lee reported that the textbook is right on schedule. The book will go to the printer in January 2007 and will be in the schools in the fall of 2007, and we will not need any more money. Farcountry Press will be doing the printing and marketing. Arnie responded that we need \$133,000 for the Teacher's Guide and the series of statewide workshops. Arnie will check on how much money we need to complete the project and will clarify that in the January Board meeting.

Judy Cole suggested that the Board make a goal to be in the new building in five years. Sharon Lincoln asked about the status of the strategic plan. Lee stated that we should revisit the strategic plan in the January meeting. Lee asked Gena to schedule committee meetings with staff in conjunction with the January meeting. Bill Holt asked, since the July meeting was in Lolo and we did not have the annual staff barbeque, should we do something around Christmas for the staff? It was suggested that the Board have a staff party in January.

COMMITTEE REPORTS AND/OR PRESIDENT'S UPDATES

Bylaws and Procedural Guidelines

Steve Browning passed around copies of the bylaws. The Montana Historical Society Board of Trustees has bylaws that were adopted and revised in 1987. The challenge was to update the bylaws to reflect the modern-day realities of the Historical Society as an organization and the Board in its role with the Society. Steve explained each change to the bylaws, article by article.

Steve also pointed out problem areas in the current guidelines that do not comply with the statutes covering the Society, such as Board approval for hiring and firing of staff. Steve felt that the Board does not have the authority to approve the appointment or dismissal of staff other than the Director. Tom Siebel disagreed with Steve. Steve said that the Governor's attorney called him and said that the Governor is opposed to the changes that the Board is contemplating. The attorney said the existing bylaws are beyond the authority of the Board. Tom Siebel said he supports the proposed changes. Ed Henrich said he does not support the staff hiring/firing item at all, and it should never have been in the guidelines.

Another proposed amendment changes the language so that when the Executive Committee meets, the President may include in the meeting the Director or other staff members as the Committee may wish. Steve said his interpretation of statute is that the Board's role with respect to oversight of the Historical Society goes primarily through the Director, as the Director is responsible to the Board. Steve felt that the Board should seek to include the person who is responsible to the Board. Ed Henrich asked for clarification that the Executive Committee would be meeting regularly without the Director. Tom Siebel answered that they "may" meet without the Director if they so wish. He said that that is just a fundamental practice today in good corporate governance. It is a fundamental concept in sound public or private governance that sometimes you meet with the chief executive and sometimes you meet without the chief executive. This is mainstream, center-of-the-road, good governance policy.

Arnie Olsen said that he and the staff should be given the opportunity to comment on everything the Board is proposing. The Board talks about supporting the staff and communicating with them, but Arnie just received this document two days before the meeting. The staff has not seen it until now. Arnie has fundamental disagreements that are a concern. He sees absolutely no reason why the Board should meet without the Director. Arnie asked how we will communicate and be on the same team if we have meetings that the Director is not involved in, and this includes disciplinary actions. Tom Siebel asked why they do that in Coca Cola and General Motors. They do that by law. Arnie said that that is a corporate situation, and it is not the same in state government. He said that that leads to problems when you have a number of meetings without the Director. The Director has to carry out the Board's direction, and how can he do that if he does not know what is going on? Tom Siebel said that when public corporations are set up they are required to have meetings without the CEO or members of management.

Ms. Vivian Hammill, the attorney for the Governor's Office was called upon to comment about the discussion. She said, "Your Board meetings are public meetings under the Montana open meeting laws. You can only close them if someone's privacy interest outweighs the public's right to know. There are a plethora of open meeting laws that state that the person who you are talking about has a right to be there, even when the meeting is closed. In disciplinary actions and discussions concerning the employee, that employee has a right to be there. There have been lots of cases on that point. I advise a lot of boards around state government. I've never seen a situation where the executive director is not present for a particular board meeting." Judy Cole asked if that includes the Executive Committee meetings. Viv answered, "I know the situation, and I work with a lot of boards and councils where, if the executive committee is meeting and if that executive committee is a quorum of the board and it is publicly noticed that they are going to discuss items, normally staff from the agency including the executive director or assistant director staff those meetings. They are public meetings. If the discussion is going to be about any of those staff, they have a right to be present at those meetings. Situations where boards have closed meetings and kicked the person out whom they are talking about, those lawsuits have been lost, and won by the person who wanted to be at that meeting. That is Montana's open meeting laws. We are not like Coca Cola where you get to close a meeting and not have the people there. Do you need further elaboration on that?"

Tom Foor asked how we have operated in violation of the law. Steve Browning answered that even though the bylaws were in violation, we have never operated outside of the law, so it has never been tested in court.

Tom Siebel asked Vivian Hammill about the proper role of the Finance Committee. He asked if the Finance Committee's authority is limited to meeting with the Society's Director each year to discuss the budget, or can the Finance Committee have the authority to review and approve the budget. Steve Browning read from the statutes, "to adopt bylaws for their government and to make rules, not inconsistent with law, for the proper administration of the Society in the interest of preserving the rich heritage of this state and its people." Tom Siebel said that that statement suggests that the Finance Committee could have the authority to approve a budget. Tom said that Steve had told him that if it does not explicitly say they can, then they cannot. The question for the Board is, if it is consistent with the law, would the Board like the ability to approve the budget? If the answer is no, it is a moot point. Vivian said "the answer is definitely no -- by any stretch of the imagination. Nor can I think of any board or commission that has that specific power within its authority." Tom Siebel asked, "so it exceeds the authority of the Board to do that?" Vivian answered, "it does."

Ed Henrich said that the staff has not read the bylaws to see what can and cannot work. Ed would like to have the staff's comments before the Board votes on anything. Tom Foor asked if the purpose of the discussion was to make sure that the Board was on the same page before it was presented to staff. Lee answered yes. Tom added that this is not the final approval and that henceforth and forever the Board is going to live by it. Lee answered that the Board was going to approve it, it is not the final copy, but at some point the Board had to start approving or disapproving.

Steve Browning moved to adopt amendments to articles 2, 3, 4 and 9 as provided and that we defer action to the proposed changes to articles 5, 6, and 7 until the rest of the staff have had the opportunity to comment.

Arnie Olsen asked if Vivian Hammill could address the article about personnel. Vivian said, "On the appointment or dismissal of any program or department manager, that provision is actually what caused me to read these yesterday. That is not something you have the statutory authority to do. The language in your statute, much like many other boards, is designed so that if Mr. Olsen wanted to add an FTE for a new position, a new archivist, a new deputy director, and was creating a new position, he would go to the Board and secure advice and approval of adding that new title to the Society's employees and hiring a person. The only person the Board has the authority in terms of hiring and firing is Mr. Olsen. He has the ability to hire and fire staff, and he has to do that within the state's recruitment rules, within the bargaining agreements. There are real specific personnel policies and state laws that govern how Arnie can hire and fire folks in addition to the overlay of bargaining agreements. So that provision, and I did take that provision to the Governor's chief of staff yesterday, and he was immediately taken aback by it and said make sure that gets out of those bylaws because that is not ok. Just to give you a little of my background, while I'm the Governor's legal counsel, my specialty is personnel, employment and labor law, and that is what I've done for the state for 25 years. This did jump out at me and hit me in the face in my area of practice. I wanted to make that clear to you all before bylaws have

to be amended because something is in there that is not legal." Vivian added that venting rules and policies that affect people and getting their input even when you do not need to is the best way to practice. You will have a better product -- a better result -- in the long run.

Steve Browning said that we do not want to give the impression that this document is entirely a product of the Board and other people have not been involved in it. Steve thought at the last board meeting that the documents were distributed.

Ed Henrich seconded Steve's motion to approve amendments to articles 2, 3, 4 and 9. Jim Utterback asked if the amendments have been looked at by legal counsel. Vivian Hammill replied that she did not recall having issues with those articles. **All voted in favor, and amendments to articles 2, 3, 4 and 9 passed.**

Steve Browning asked that the proposed changes to articles 5, 6, and 7 be made available to the staff for comment and feedback. He will be happy to put together something that will work.

Lee Rostad said that Steve Browning went over the first section of the bylaws where the actual laws were enacted, and they had some changes because the law changed. Lee asked if there were copies of those to pass on to the staff. Steve said the new codes are out now and are available. Lee would like to vote on that to clear up section 100 at the next meeting. Steve said a vote is not needed on that because the statute is in effect. That is the law.

Steve Browning said that a committee was appointed to look at the administrative and operational guidelines, section 300, which are quite lengthy and out of date. Arnie stated that Lee had asked Society personnel to take a look at section 400 and have it ready for this meeting, and they did. Arnie went through section 400, the pertinent staff went through it, Gena went through it, they got it updated, and they submitted it. In terms of efficiency, that is a good way, because then we have had a lot of staff input. Then all we have to do is focus on a few issues that the Board is concerned about. We can talk about and resolve those issues and not have to deal with a lot of things that are really almost clerical in nature. Society staff were happy to do that, and Gena worked extra overtime to get it done. For section 300, Arnie believes that the most efficient way is the same -- that we write this section to reflect what we currently do and get staff input. Then we will have a product for the Board that is 95% ready, and the Board can fine-tune it and adopt it. That would be a lot quicker and meet the deadline by next meeting. Steve Browning felt that was a good suggestion.

Steve Browning asked if the Board historically approved the guidelines. Arnie said that brings up a higher-level point. He said that, based on Vivian's Hammill's comments, you might argue that the role of the Board is to instruct the Director to update the guidelines and keep them up-to-date, and it would not be a Board action because it falls within the Director and the Society's responsibilities. If there was anything that affected the Board's bylaws, Arnie would bring it to the Board, but the rest of the document is simply detail of how the Society does business. Steve asked again if the Board historically approved these guidelines, and Arnie answered not in his tenure. Bob Morgan said the only time the bylaws were ever even looked at was when something came up like a lawsuit, and that was when the changes were made. Steve said his guess was that the Board was not involved in sections 300 and 400. Arnie said that he thought

that a former director or board (Tom Foor said Brian Cockhill) put the Board bylaws, the statutes, and the policies into one document as a good way to bring things together, but Arnie did not think it was intended to be a complete Board document. The Society has lots of policies that it has to revamp because state laws change, and those should be constantly inserted. There are a lot of things that are easier to refer to existing law than to rewrite. Steve told Lee that this is a good suggestion. Lee agreed and said that one of the reasons that she wanted the Board to undertake this task was to learn what it was supposed to be doing and, as an old school teacher, she thought that it would be a good way to educate the Board.

Set 2006 Meeting Dates

The 2006 meeting dates were set for January 19, April 20, July 20, and September 28 in conjunction with the History Conference in Billings.

Other

Bob Morgan asked about the status of the letter sent after the last Board meeting to the C. M. Russell Museum in Great Falls regarding the C. M. Russell bronze issue. The C. M. Russell Museum never responded to the Society's letter. The Board decided that there should be a follow-up letter to get a response from the C. M. Russell Museum.

Ed Henrich asked about the status of the stolen Dutch Henry gun. Arnie explained that the Society had received the insurance money, which it is holding in case the gun is found. The Society had the same issue on the pipe bag that was stolen. A man was caught with stolen artifacts, but the pipe bag was not there, so it must have been sold prior to him getting caught. Ed Henrich asked how long the Society would hold the insurance payment. Arnie answered that at some point it would make sense to re-invest that money in the collection. The only risk is that if the artifact is found, the Society would have to come up with the money to pay it back. Arnie will research this to see how other museums deal with it.

Steve Browning expressed his personal appreciation for the extraordinary generosity that our Society has been the beneficiary of from the Claiborne/Ortenberg Foundation's support for the Montana Heritage Project. This Project has been paying real dividends for what we are seeing in the schools.

Steve Browning also thanked Tom Siebel for bringing to our attention the History Online Project, which clearly the Board was 100% behind. This showed Board members the extraordinary opportunities that this organization has. The Society has great resources that need to be capitalized more upon. It is unfortunate that the Board was not able to come to a final resolution that would get that project done at this time, but it is clearly a set of goals that Board members need to think about for this organization. The History Center is one of the Board's primary goals -- having the History Center built and occupied in five years. Maybe the Board can have some variant of the Online Project going in a similar time period.

Board of Trustees Meeting
September 29, 2005

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

Ed Henrich moved to adjourn the meeting, Jim Utterback seconded, and the meeting adjourned at 4:00 p.m.